

# Talking Points



Department of Housing and Community Development

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### National Background

- Purpose is to help localities reverse economic and physical decline in traditional downtown and neighborhood business districts
- Developed by National Trust for Historic Preservation in the 1970s to save downtown districts from economic decline and physical demolition
  - Piloted in 3 communities in 3 Midwestern states
  - Success of program led to formation of National Main Street Center in 1980s (relationship with states is contractual)
  - ➤ Celebrating 25 years of Main Street in 2005
- While the Trust was interested in saving buildings, they knew they could only do so by saving their purpose or creating a new purpose -economic development in the context of historic preservation
- Strategy is *Four Point Main Street Approach*<sup>TM</sup> based on:
  - ➤ **Organization**—building broad-based partnerships to manage the revitalization effort
  - Promotion—creating and marketing a positive image for downtown
  - ➤ **Design**—improving the physical environment of downtown
  - ➤ **Economic Restructuring**—strengthening and expanding downtown's existing economic assets
- Now implemented in more than 1,800 communities in 40 states, plus neighborhood programs in Boston, San Diego,
  Baltimore and Washington D.C.
- More than \$18 billion of public and private investment nationwide to date in Main Street communities.

Additional information is available on the National Main Street Center website at <a href="https://www.mainstreet.org">www.mainstreet.org</a> or call (202) 588-6219.

### State Background

- Program is housed in the Virginia Department of Housing and Community Development. Visit our website at:
   www.dhcd.virginia.gov/mainstreet
- Virginia Main Street was 15<sup>th</sup> state to become part of program (1985)
  - Currently 20 designated Main Street communities in Virginia
  - ➤ Communities are competitively selected
  - ➤ There are also 50 DHCD Commercial District Affiliates selected in a noncompetitive process
- Main Street program state staff provide: training, technical assistance, networking opportunities, access to state and national experts, customized design assistance and ongoing public relations and marketing
- Economic impact statistics from program inception in 1985 through year-end 2004:
  - \$299 million of private investment in building rehabilitations
  - 4,501 building rehabilitation projects
  - 3,499 new, expanded or retained businesses
  - 9,647 new jobs
  - 254,067 volunteer hours (1997-2004), valued at
    \$4.4 million

## Virginia Main Street Communities

Bedford (1985)

Berryville (1992)

Culpeper (1988)

Danville (2000)

Franklin (1985)

Harrisonburg (2004)

Lexington (1988)

**Luray** (2004)

Lynchburg (2000)

Manassas (1988)

**Marion** (1995)

Martinsville (1995)

**Orange** (1992)

**Radford** (1989)

Rocky Mount (1995)

South Boston (2004)

Staunton (1995)

Warrenton (1989)

Waynesboro (2000)

Winchester (1985)

### **Economic Benefits of Downtown**

- Older buildings have unique and irreplaceable historic architecture
- Downtown is often the community's largest employment center and a significant contributor to the local tax base
- Revitalization encourages economic growth in an area of the community already served by infrastructure
- Downtown businesses tend to be locally owned and thus give much more back to the community economically
- For every \$1 spent in the community, downtown merchants return 60 cents; chain stores return only 20 cents and big box discounters return only 6 cents
- For every 1,000 square feet of retail space downtown merchants generate an annual net surplus of \$326, while big-box stores creates an annual tax deficit of \$468.
- Renovating downtown commercial storefronts has been shown in four different statewide studies to result in long-term increase in sales; also employ local contractors using locally purchased materials
- With new construction 50 percent of cost is labor and 50 percent materials; with rehabilitation 70 percent is labor (usually local) and 30 percent materials

# Downtown Investment Pays Off

- For the **residents**.... more jobs, goods, services and housing
- For the **business person**.... more customers & sales
- For the **visitor**...more reasons to visit, spend more & stay longer
- For elected officials & city leaders... increased real property & sales tax revenue, industrial recruitment

### **Community Involvement**

- Main Street works through public/private partnerships at the local level, making best use of the skills and abilities of the government and nonprofit sectors, working cooperatively with private businesses and individuals
- The program works in Virginia because communities use local initiative and resources to develop revitalization strategies following the Main Street Approach<sup>TM</sup>
- The state program provides guidance and expertise in support of local efforts
- Use of volunteers is cost effective and ensures that residents have a say in downtown's development and a commitment to make it work (Volunteer time is valued at \$17.19 per hour.)

### There's No Place Like Downtown!

- We need to preserve the distinctive architecture of downtown because it defines what makes each community unique – giving it a "sense of place" and identity
- Economic revitalization provides jobs and business ownership opportunities for local residents, particularly youth who may otherwise leave the community in search of employment
- Renewed vitality enhances community "quality of life"... more cultural and recreational opportunities, better schools, better libraries, more housing options all in a setting of heritage preserved
- Downtown is "everyone's neighborhood" open and inclusive